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# Amalgamated Electric Corporation, Limited

Montreal, Canada

## Annual Report
1947

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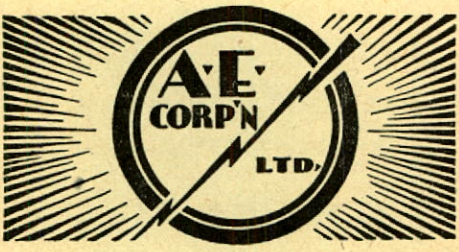
# Amalgamated Electric Corporation, Limited

Montreal, Canada




## Annual Report

1947

AMALGAMATED ELECTRIC CORPORATION,
LIMITED

*and*

*Subsidiary Companies*

BENJAMIN ELECTRIC MANUFACTURING COMPANY
of CANADA LIMITED

BULL DOG ELECTRIC PRODUCTS of CANADA LIMITED

CANADIAN CUTLER-HAMMER LIMITED

LANGLEY ELECTRIC MANUFACTURING COMPANY,
LIMITED

LANGLEY ELECTRICAL COMPANY LIMITED

LANGLEY MANUFACTURING COMPANY LIMITED

CANADIAN JEFFERSON ELECTRIC COMPANY, LIMITED

PLANTS AND WAREHOUSES AT:

TORONTO

MONTREAL

WINNIPEG

CALGARY

VANCOUVER

EXECUTIVE OFFICES:

ROOM 1600

1050 BEAVER HALL HILL

MONTREAL, QUEBEC

AMALGAMATED ELECTRIC CORPORATION, LIMITED

MONTREAL, MARCH 22, 1948.

## TO THE SHAREHOLDERS

Your Directors submit herewith the Nineteenth Annual Report of your Company and Consolidated Statements of Account for the year ended December 31, 1947.

## RESULTS OF OPERATIONS

Before providing for Profit Taxes, the operations for the year 1947 resulted in a profit of $130,520 as compared with a loss of $376,236 for the year 1946. Your Company is entitled to an adjustment of 1947 Income Taxes of approximately $34,000 by reason of the loss sustained during the 1946 fiscal year. After giving effect to this adjustment, the provision for Income and Excess Profits Taxes for the year 1947 amounted to $18,000, leaving a net profit after taxes of $112,520.

Sales and production during 1947 reached the highest peacetime totals in the Company's history. Due to increased costs of wages and materials, the net profits are abnormally low, having regard to the high volume of business and the investment involved.

No dividend was paid or declared during the year 1947.

A settlement of your Company's War Operations was arrived at with the Department of Reconstruction and Supply during the year 1946, but no assessment has as yet been received on account of Income and Excess Profits Taxes for the War period.

## PLANT

Further progress has been made in your Company's five year programme of capital expenditure for the purpose of modernizing machinery and equipment to provide for increased production. Total expenditure on account of plant and equipment during the year amounted to $127,043 which, after deducting equipment scrapped totalling $15,076, resulted in a net increase in Plant Account of $111,967.

Depreciation on Plant and Equipment amounting to $99,407 was provided during the year.

## INVENTORIES

The inventories at December 31, 1947 valued at the lower of cost or market prices, aggregated $1,701,076 as compared with $1,855,189 at the close of the preceding year.

## FINANCIAL

On November 1, 1947 the first principal repayment of $100,000 was made against the 2¾% First Mortgage (Closed) Serial Bonds, leaving a balance outstanding as at December 31, 1947 of $400,000 but the continued operation of the Company's plant facilities at a high rate of output has necessitated bank advances amounting to $978,262 at the end of the year.

The following is a comparison of the Net Working Capital of the Company for the years 1947 and 1946:

| | 1947 | 1946 |
|---|---|---|
| Current Assets | $2,329,084 | $2,228,827 |
| Current Liabilities | 1,402,548 | 1,289,573 |
| Net Working Capital | $ 926,536 | $ 939,254 |

## DIRECTORS

It is with sincere regret that your Directors record the death of Mr. W. L. Bayer on September 2, 1947. Mr. Bayer had been the President of your Company from December 20, 1929 until 1936, when he was elected Chairman of your Board of Directors, in which capacity he continued until his death. His great interest in the Company and his wide knowledge of affairs were of great value to your Company.

Mr. C. W. Findlow, Works Manager of the Company, was elected a Director on December 2, 1947.

## PROSPECTS

Present indications are that the demand for your Company's products should continue at a relatively high level through 1948.

## EMPLOYEES

Your Directors wish to acknowledge with appreciation the loyal and efficient service rendered by the employees during the past year.

By Order of the Board,

P. F. SISE,

President.

# AMALGAMATED ELECTRIC

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## SUBSIDIARY

*Consolidated Balance Shee*

### ASSETS

| | | |
|---|---|---|
| CAPITAL ASSETS: | | |
| Land, Buildings, Plant and Equipment at cost | | $1,751,887 |
| DEFERRED RECEIVABLES | | 79,462* |
| CURRENT ASSETS: | | |
| Inventories of Raw Material, Goods in Process, Finished Stock, etc. | $1,701,076** | |
| Accounts Receivable (less Reserve for Doubtful Accts.) including Income and Excess Profits Taxes Recoverable | 538,928 | |
| Dominion of Canada Bonds | 2,500 | |
| Cash | 86,580 | 2,329,084 |
| PREPAID EXPENSES: | | |
| Unexpired Insurance, etc. | | 3,785 |
| GOODWILL AND PATENTS | | 1 |
| | | $4,164,219 |

* Refundable Excess Profits Tax.

** Based on Physical Inventory as at October 31, 1947, adjusted for operations to December 31, 1947 at values which do not exceed the lower of cost or market.

Approved on behalf of the Board:

P. F. SISE
A. H. ELDER } *Directors.*

# CORPORATION, LIMITED

ND

## COMPANIES

*t as at December 31, 1947*

### LIABILITIES

| | | |
|---|---|---|
| CAPITAL STOCK: | | |
| Common Stock — without nominal or par value: | | |
| Authorized — 100,000 Shares | | |
| Issued and Paid-up — 84,415 Shares | | $ 844,150 |
| 2¾% FIRST MORTGAGE (CLOSED) SERIAL BONDS: (Due in Equal Annual Amounts November 1, 1948-1951) | | 400,000 |
| CURRENT LIABILITIES: | | |
| Bank Overdraft | $ 978,262 | |
| Accounts Payable and Accrued Charges | 409,689 | |
| Provision for Taxes | 14,597 | 1,402,548 |
| RESERVE FOR DEPRECIATION | | 1,107,599 |
| CAPITAL SURPLUS | | 138,684 |
| SURPLUS: | | |
| Deferred Surplus | 79,462* | |
| Earned Surplus | 191,776 | 271,238 |
| | | $4,164,219 |

### AUDITORS' REPORT TO THE SHAREHOLDERS

MONTREAL, February 27, 1948.

We have examined the books and accounts of Amalgamated Electric Corporation, Limited, and its subsidiary Companies as at December 31, 1947, and we have obtained all the information and explanations which we have required.

We report that, in our opinion, the above Consolidated Balance Sheet and relative Consolidated Statements of Profit and Earned Surplus, and Capital Surplus are properly drawn up so as to exhibit a true and correct view of the state of the Companies' affairs, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

WM CARSWELL, C.A.,
Treasurer.

MCDONALD, CURRIE & CO.
Chartered Accountants.

AMALGAMATED ELECTRIC CORPORATION, LIMITED

AND

SUBSIDIARY COMPANIES

*Consolidated Statement of Profit and Earned Surplus*
*For Year Ended December 31, 1947*

| | | |
|---|---|---|
| OPERATING PROFIT FOR YEAR — After deducting charges enumerated below | | $130,520 |
| Provision for Depreciation | $ 99,407 | |
| Remuneration of Executive Officers | 29,234 | |
| Fees of Directors | 1,680 | |
| Legal Fees | 5,314 | |
| Bond Interest | 13,266 | |
| | $148,901 | |
| PROVISION FOR INCOME TAXES after giving effect to 1946 loss | | 18,000 |
| NET PROFIT for the year | | 112,520 |
| EARNED SURPLUS brought forward from previous year | | 79,256 |
| EARNED SURPLUS — as per Consolidated Balance Sheet | | $191,776 |

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*Consolidated Statement of Capital Surplus*
*For the Year Ended December 31, 1947*

| | |
|---|---|
| Balance brought forward from previous year | $138,684 |

AMALGAMATED ELECTRIC CORPORATION, LIMITED

*DIRECTORS*

| | |
|---|---|
| *A. V. ARMSTRONG | HOMER M. JAQUAYS |
| *WILLIAM CARSWELL | RICHARD O. JOHNSON |
| AUBREY H. ELDER | *M. P. MURPHY |
| C. W. FINDLOW | M. K. PIKE |

*PAUL F. SISE

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*OFFICERS*

| | |
|---|---|
| PAUL F. SISE | *President* |
| M. P. MURPHY | *Vice-President* |
| WILLIAM CARSWELL | *Secretary-Treasurer* |

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| | |
|---|---|
| A. V. ARMSTRONG | *General Manager* |
| STANLEY LANGLEY | *Technical Manager* |
| C. W. FINDLOW | *Works Manager* |

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*SOLICITORS*

WAINWRIGHT, ELDER & LAIDLEY — MONTREAL

BLAKE, ANGLIN, OSLER & CASSELS — TORONTO

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*TRANSFER AGENTS*

MONTREAL TRUST COMPANY — MONTREAL

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*REGISTRAR*

THE ROYAL TRUST COMPANY — MONTREAL

*Members of the Executive Committee

# Endorsed Electrical Equipment

**ELECTRICAL SUPPLIES, ETC.**
**APARTMENT MAIL BOXES.**
**BALLASTS**—Fluorescent.
**BOXES**—Outlet; Switch; Pull; Junction; Transformer.
**CAPS**—Rubber.
**CUTOUTS.**
**FILTERS**—Coolant.
**FITTINGS**—Fixture.
**FIXTURES**—Porcelain Enamel Reflectors; Vapor-Proof; Commercial Fixtures; Glazed Porcelain; Dust-Proof; Explosion-Proof; Fluorescent.
**FLOODLIGHTING.**
**FLUORESCENT LAMP CONTROL.**
**FUSES**—Cartridge.
**LAMPS PORTABLE**—Bed; Desk; Fluorescent.
**LIGHTING**—Commercial; Cove; Portrait; Show Case; Spot; Theatre; Office; Store; School; Hospital; Industrial; Incandescent and Fluorescent; Localites, Floating Arm Lamps.
**LIGHTING CONTROL**—Theatre
**MULTIBREAKER PANELBOARDS.**
**NEAR INFRA-RED HEATING AND DRYING EQUIPMENT.**
**NOFUZ BREAKERS, PANELBOARDS AND SWITCHBOARDS.**
**PANELBOARDS**—Branch Circuit and Light and Power Distribution.
**PLUGS**—Attachment.
**RECEPTACLES**—Flush; Surface; Sign; Fixture.
**REFLECTORS**—Porcelain Enamel; Alzac Aluminum.
**SERVICE STATION FLOODLIGHTING.**
**SHEET METAL WORK.**
**SIGNALS**—Industrial.
**SOCKETS**—Brass Shell; Porcelain; Rubber; Weatherproof; Extensions; Reducers.
**SPINNINGS.**
**STAMPINGS.**
**SWITCHBOARDS**—Light and Power.
**SWITCHPLATES**—Brass; Steel; Bakelite.
**SWITCHES**—Door; Externally Operated; Fixture; Flush; Knife; Pendant; Surface; Safety; Industrial; Service.
**THEATRE SWITCHBOARDS.**
**TRANSFORMERS**—Power Circuit; Control; Ignition; Luminous Tube; Mercury Lamp; Doorbell; Chime; Radio; Street Lighting; Signal.
**WIRING DEVICES.**
**BULL DOG PRODUCTS**—Panelboards; Switchboards; Safety Switches; Wiring Trough; Wireways; Busways; Trolley-Duct.
**CUTLER-HAMMER PRODUCTS**—Motor Control; Dimmers; Resistors.

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CORP'N
LTD.